

July 2015

Commission Meeting Summaries

These are summaries of orders voted by the Federal Energy Regulatory Commission at its July 16, 2015 public meeting. The summaries are produced by FERC's Office of External Affairs and are intended to provide only a general synopsis of the orders. These summaries are not intended as a substitute for the Commission's official orders. To determine the specific actions and the Commission's reasoning, please consult the individual orders when they are posted to FERC's eLibrary found at www.ferc.gov.

E-1 – Press Release

FERC accepts a filing

E-2, *Midcontinent Independent System Operator, Inc.*, Docket No. ER15-1745-000. This letter order accepts MISO's proposed revisions to section 31.3 of the MISO Open Access Transmission, Energy and Operating Reserve Markets Tariff related to locational requirements for Network Load and related revisions to section 34.2 and Schedule 9 of the tariff.

FERC accepts a compliance filing

E-3, *International Transmission Company*, Docket No. ER12-2170-000. This order accepts the revised refund report filed by International Transmission Company (ITC) in compliance with a directive in the Commission's August 28, 2012 order accepting a late-filed transmission facility ownership and operating agreement between ITC and Michigan Public Power Agency (MPPA). The order also concludes that no time value refunds are due to MPPA given that transmission service would have been provided at a loss if time value refunds were required.

FERC denies in part and grants in part rehearing

E-4, *International Transmission Company*, Docket No. ER12-2170-001. This order denies in part and grants in part rehearing of the Commission's August 28, 2012 order accepting a late-filed transmission facility ownership and operating agreement between International Transmission Company (ITC) and Michigan Public Power Agency (MPPA). The agreement was originally entered into between Detroit Edison Company (Detroit Edison) and MPPA in 1982, but not filed until 2012; Detroit Edison assigned its interest in the agreement to ITC in 2001 in conjunction with the transfer of its

transmission assets to ITC. The order (1) denies Detroit Edison's request for rehearing of the Commission's finding that the agreement provides for jurisdictional service, (2) denies ITC's request for rehearing of the Commission's finding that ITC's potential liability for time value refunds commenced on the date that the agreement was assigned to ITC, and (3) grants ITC's request for rehearing on the question of whether operations and maintenance and other costs incurred by ITC under the agreement and billed to MPPA based on MPPA's ownership share of the jointly-owned transmission line should be subject to time value refunds. As to the latter issue, the order concludes that, because the charges to MPPA under the agreement relate to a facility (i.e., MPPA's undivided ownership interest in a transmission line) that was intended specifically to provide MPPA with the means to make sales of capacity and energy from its jointly-owned generating plant, and because transmission service would have been provided at a loss if time value refunds were required, ITC is not obligated to make any time value refunds.

FERC approves a final rule

E-5, *Revisions to Public Utility Filing Requirements*, Docket No. RM15-3-000. This final rule revises Part 46 of the Commission's regulations to eliminate the requirement to submit FERC Form No. 566 (Annual Report of a Utility's 20 Largest Customers) for regional transmission organizations, independent system operators, and exempt wholesale generators. The final rule also eliminates the requirement that public utilities submit FERC Form No. 566 even though they have not made any reportable sales under FERC Form No. 566 in any of the three preceding years. The final rule also eliminates the requirements that public utilities submitting FERC Form No. 566 identify individual residential customers by name and address and that public utilities notify the 20 largest purchasers.

FERC denies rehearing; accepts a compliance filing

E-6, *Midwest Independent Transmission System Operator, Inc.*, Docket No. OA08-53-005. This order denies a request for rehearing of the Commission's September 18, 2014 order (September 2014 Planning Order), which addressed MISO's filing made to comply with Order No. 890, concerning comparability among transmission, generation and other resources. The order also accepts MISO's filing to comply with the directives in the September 2014 Planning Order.

FERC denies requests for rehearing

E-7, *Chehalis Power Generating, L.P.*, Docket No. ER05-1056-008. This order denies the respective requests for rehearing by Chehalis and by Bonneville Power Administration of the Commission's October 17, 2013 order on voluntary remand in this proceeding. The order reaffirms that a Chehalis rate schedule filing to increase rates for reactive power previously provided at a "zero" rate constituted a "changed" rate rather

than an “initial” rate. The order also explains that, while the Commission finds it would be appropriate for Bonneville to return to Chehalis the amounts that Chehalis had previously refunded to Bonneville earlier in this proceeding, the Commission lacks authority to order Bonneville to return such amounts.

FERC denies rehearing; conditionally accepts a compliance filing

E-8, *Southwest Power Pool, Inc.*, Docket Nos. ER14-2553-001 & ER14-2553-002. The order denies requests for rehearing of an October 28, 2014 order that conditionally accepted SPP’s proposal for Long-Term Congestion Rights in compliance with Order No. 681, subject to a compliance filing. The order also conditionally accepts SPP’s compliance filing, submitted January 30, 2015, subject to a further compliance filing.

FERC denies rehearing

E-9, *PJM Interconnection, L.L.C.*, Docket No. ER14-1469-002. The order denies National Fuel Gas Distribution Corporation’s request for rehearing regarding restrictions on the sharing of confidential information.

FERC authorizes acquisition of a natural gas-fired peaking facility

E-12, *DTE Electric Company*, Docket No. EC15-138-000. The order authorizes DTE Electric Company’s acquisition of a natural gas-fired peaking facility located in Michigan from its affiliate DTE East China, LLC.

FERC establishes hearing and settlement judge procedures

E-13, *Navopache Electric Cooperative, Inc.*, Docket No. EL15-59-000. This order sets for hearing and settlement judge procedures the parties’ intent in drafting the sections of their power supply agreement that address Navopache’s ability to purchase power and energy from suppliers other than Public Service Company of New Mexico.

FERC denies a complaint

E-14, *GenOn Energy Management, LLC v. ISO New England Inc.*, Docket No. EL15-57-000. The order denies a complaint submitted by GenOn Energy Management, LLC (GEM), alleging that ISO New England Inc. (ISO-NE) violated its tariff by submitting a demand bid into the March 2015 Annual Reconfiguration Auction on GEM’s behalf, thereby compelling GEM to purchase capacity, which, according to GEM, incorrectly reflects a de-rated capacity capability. The order also denies GEM’s alternate request for a waiver of the relevant tariff provisions if the Commission finds that ISO-NE did not violate its tariff.

FERC denies request for clarification

M-1, *Communication of Operational Information Between Natural Gas Pipelines and Transmission Operators*, Docket No. RM13-17-002. The order denies National Fuel Gas Distribution Corporation's (NFG Distribution) request for clarification of Order No. 787 regarding the scope of communications between public utilities and local distribution companies. The order finds NFG Distribution's request for clarification is beyond the scope of Order Nos. 787 and 787-A.

FERC dismisses requests for rehearing

G-1, *National Fuel Gas Supply Corporation and Empire Pipeline, Inc.*, Docket No. RP14-380-001. The order dismisses National Fuel Gas Distribution Corporation's (NFG Distribution's) request for rehearing regarding the scope of the No-Conduit rule adopted in Order No. 787. The No-Conduit rule prohibits subsequent disclosure of information received from a public utility or interstate pipeline with a third party or a marketing function employee of the public utility or interstate pipeline. NFG Distribution requests rehearing to permit sharing of information received from a local electric utility concerning impending or ongoing power outage to a National Fuel office building with potentially prohibited employees that work in the same building. The order dismisses the rehearing request, finding that it involves the provision of information from a local electric utility to a retail customer regarding a retail power outage, as opposed to information regarding a wholesale customer or regarding a wholesale transaction and therefore does not relate to information covered by Order No. 787.

FERC proposes a rule

G-2, *Standards for Business Practices of Interstate Natural Gas Pipelines*, Docket No. RM96-1-038. In this notice of proposed rulemaking (NOPR), the Commission proposes to amend the Commission's regulations to incorporate by reference, with certain enumerated exceptions, the latest version (Version 3.0) of business practice standards adopted by the Wholesale Gas Quadrant of the North American Energy Standards Board applicable to interstate natural gas pipelines. These revisions, in part, revise the codes used to identify receipt and delivery locations in the Index of Customers. In addition, for consistency with the revisions to the Index of Customers, the Commission is proposing certain conforming changes to the Commission's regulations in section 284.13(c) and in regulations on exhibits and system flow diagrams.

FERC denies requests for rehearing; accepts compliance filing

G-3, *Enable Gas Transmission, LLC*, Docket Nos. RP12-498-003 & RP12-498-004. The order denies Enable's requests for rehearing regarding changes to its tariff provisions which govern reservation charge crediting and pipeline liability. It generally approves

Enable's compliance filing, but directs Enable to submit an additional compliance filing making one modification.

FERC accepts tariff records

G-4, *El Paso Natural Gas Co.*, RP12-816-001, *et al.* This order on compliance and clarification addresses El Paso's voluntary filing of revised tariff sheets to adopt the Commission's determinations made in Opinion No. 517, and responds to El Paso's request that the Commission clarify the further refund sequence following that voluntary rate reduction, insofar as those determinations affect rates filed in El Paso's 2011 Rate Case in Docket No. RP12-1398-000. The order clarifies that no interim refunds or additional rate changes will be required until the Commission issues an Order on Rehearing in El Paso's 2011 Rate Case.

FERC denies in part and grants in part rehearing

G-5, *El Paso Natural Gas Co.*, Docket No. RP08-426-017, *et al.* This order, Opinion No. 517-A, generally rejects requests for rehearing relating to rate and settlement interpretation determinations made in Opinion No. 517, which addressed El Paso's rates for the locked in period, January 1, 2009 through March 31, 2011. The opinion grants limited rehearing to permit El Paso to attribute \$50 million of a \$760 million capital structure adjustment to debt (resulting in an estimated 49.6% equity ratio). The order also generally accepts El Paso's compliance filing and directs refunds within 60 days.

FERC denies requests for clarification

G-6, *Cost Recovery Mechanisms for Modernization of Natural Gas Facilities*, Docket No. PL15-1-001. The order denies requests for clarification of the Commission's April 16, 2015 Policy Statement regarding Cost Recovery Mechanisms for Modernization of Natural Gas Facilities. The order denies requests to clarify the specific data that a pipeline must provide to justify existing base rates, and declines to adopt formal procedures for the collaborative process that pipelines must undertake prior to filing for a modernization cost tracker.

FERC dismisses rehearing request

G-7, *Enbridge Energy, Limited Partnership*, Docket No. IS12-236-001. This order dismisses High Prairie Pipeline, LLC's (High Prairie) request for rehearing of the Commission's May 18, 2012 order that accepted proposed revisions to the Nomination Verification Procedures of an Enbridge Energy tariff. The order finds that all issues raised by High Prairie on rehearing have already been addressed in the May 18, 2012 order and in related complaint proceeding orders issued March 22, 2013 and October 1, 2014 in Docket No. OR12-7-000. The March 2013 order dismissed a complaint by High

Prairie, finding that Enbridge Energy did not unduly discriminate against High Prairie and its shippers by refusing to grant High Prairie an interconnection at the Clearbrook, Minnesota origin point. Rehearing of the March 2013 order was denied in the order issued October 1, 2014.

FERC denies rehearing

H-1, *KC Hydro LLC of New Hampshire*, Project No. 14245-001. The order denies KC Hydro's request for rehearing of Commission staff's April 15, 2015 order that denied a two-year extension of a preliminary permit for the proposed Pittsfield Mill Dam Hydropower Project that would be located on the Suncook River, in the Town of Pittsfield, Merrimack County, New Hampshire, finding that KC Hydro's activities under its preliminary permit did not demonstrate good faith and reasonable diligence.

FERC denies rehearing

H-2, *Alcoa Power Generating Inc.*, Project No. 2197-107. The order denies the request for rehearing filed by New Energy Capital Partners, LLC (New Energy) of the March 3, 2015 notice rejecting New Energy's motion to reopen the record. The order affirms that because the Commission denied New Energy's late motion to intervene on September 19, 2013, New Energy is not a party to the relicensing proceeding and, thus, is not a participant permitted to file a motion to reopen the record in accordance with Rule 716. The order also notes that the record in the relicensing proceeding is still open and that New Energy may file comments, albeit not as a party, that will be considered by the Commission.

FERC amends a certificate of public convenience and necessity

C-1, *Floridian Natural Gas Storage Company, LLC*, Docket No. CP13-541-000. The order grants Floridian's request to amend its certificate of public convenience and necessity to construct and operate a liquefied natural gas (LNG) storage facility near Indiantown in Martin County, Florida. The order authorizes Floridian to modify the previously authorized Phase 1 facilities by substituting a 1 billion cubic feet (Bcf) single-containment LNG storage tank for the previously authorized 4 Bcf full-containment tank and reducing the associated Phase 1 vaporization capacity.

FERC authorizes interstate pipeline facilities and abandonment request

C-2, *Southern Natural Gas Company, LLC*, Docket No. CP15-23-000. The order authorizes Southern to construct and operate the North Main Line Relocation Project that would be located in Jefferson County, Alabama. The order also grants authorization to

Southern to abandon in place three segments on its existing North Main Lines and one short segment on its Calera Branch Line, also located in Jefferson County.

FERC grants rehearing and clarifies a final rule

C-3, *Revisions to Auxiliary Installations, Replacement Facilities, and Siting Maintenance Regulations*, Docket No. RM12-11-003. This order grants rehearing and clarifies Order No. 790-A. The final rule (1) provides pre-granted authority under new subsection 2.55(a)(3) for companies to abandon auxiliary facilities, subject to certain conditions; (2) permits auxiliary facilities that cannot meet the conditions for the pre-granted abandonment authority in new subsection 2.55(a)(3) to be abandoned under section 157.216, subject to those regulations' requirements; and (3) permits 2.55(b) replacements to be abandoned under section 157.216 of the blanket regulations, subject to those regulations' requirements.